

HJR 622 STUDY: CHESAPEAKE BAY PRESERVATION ACT - EXPANSION

RESOLVED FURTHER, That the Chesapeake Bay Local Assistance Department be requested to submit to the Commission for inclusion in Commission's interim report (i) **an assessment of the benefits to the environment, along with the costs and effects to state and local governments of extending the Act to include localities outside of "Tidewater Virginia" that are within the Chesapeake Bay watershed;** (ii) **the potential need for changes to existing regulations to reflect differences in the topography and geology for such an expansion;** and (iii) **the financial resources needed in the form of state implementation grants to local governments for such an expansion.** The Department shall complete and submit its findings and recommendations to the Commission by October 20, 2001.

I. EXECUTIVE SUMMARY

This study was undertaken through a direction of the 2001 General Assembly in the form of HJ 622. The report was prepared by the Chesapeake Bay Local Assistance Department (CBLAD) and presented to the Joint Legislative Audit and Review Commission (JLARC) pursuant to HJ 622. The study and this report address the implications of extending the current Chesapeake Bay Preservation Act, § 10.1-2100 et. seq., and its Regulations to the balance of the Chesapeake Bay Watershed in the Commonwealth of Virginia.

Format and Content: The report consists of six additional chapters to this Executive Summary. The next chapter, Chapter II, sets forth the legislative and regulatory context under which the issue of a proposed expansion arose and must be considered. Of significance, it is pointed out that through the 1987 Bay Agreement, the Commonwealth had made a commitment to apply a Bay Act program throughout the entire Chesapeake Bay Watershed in Virginia.

Chapter III describes the study framework that was used to address the very complex task of identifying and assessing impacts that will occur in the future and which cannot be isolated, i.e. they are a part of a complex system of development and regulations. Of significance is the conclusion that the study is not a typical cost/benefit study since the benefits are discussed as long-term implications for the condition of the environment, particularly the quality of state waters, while the costs relate to the resulting obligations of local and state governmental entities to create and implement the appropriate and necessary programs. To gather input to the study use was made of a locality survey, to assess capacity related to the water quality planning and regulation; seven outreach meetings were held in the proposed Expansion Area; and, an environmental-benefits focus group was used in addition to the basic research of environmental programs and the current Bay Act Program history.

The initial methodology for the study required looking at the overall effect of the water-quality based environmental programs on Virginia's portion of the Bay Watershed through comparison of the Tidewater Area with the proposed Expansion Area. However, operating only with such broad-based information would not be responsive to the directives in HJ 622. Therefore a more detailed methodology that involved identifying the increment of change that would occur between the present situation (the baseline

condition) and the resulting situation once there was an expansion of the Act's geographic coverage was created. The increment of change was then assessed for its effects in terms of environmental benefit and in terms of costs and allocation of resources. In table form, the columns were identified as:

Bay Act Expansion Study – Incremental Change Analysis			
CURRENT SITUATION {The Baseline Condition}	ACTIONS THAT MAY OCCUR {The Increment of change}	BENEFITS	COSTS AND RESOURCES

The items for which an increment of change was identified are listed in Table III-3. The environmental benefits analysis is contained in Chapter IV; the effects on local government in Chapter V; and costs to the state in Chapter VII. Table III-4 provides an abbreviated, key-word summary of the content of those chapters. The key findings are highlighted in later sections of this Executive Summary.

Study Conclusions: Recognizing that HJ 622 called for the identification of the potential need for changes to the current regulations and identification of financial resources needed for an expansion, in addition to the assessment of environmental benefits and costs to government, the study contains several conclusions and suggestions that when brought together form the essence of a plan, or strategy, for proceeding with an expansion program. Those items are put together in the following outline, are expanded upon in the balance of this Executive Summary, and are addressed in detail in the full report.

- Legislative action to apply the goals, objectives, and programs associated with the Chesapeake Bay Preservation Act throughout the Chesapeake Bay Watershed in the Commonwealth is warranted.
- Any such expansion must be undertaken with consideration of the impact upon the operation of local governments, of the fiscal impacts to the Commonwealth, and with the need to have it fit appropriately within the obligations of the Commonwealth per the Chesapeake Bay 2000 Agreement and in a manner compatible with other environmental and water quality protection programs administered and implemented by the State.
- An expansion accommodated simply through the inclusion of new jurisdictions to the definition of "Tidewater Virginia" in § 10.1-2101 will not be efficient or effective.
- An expansion can effectively be accommodated through two avenues. One aspect is adding 13 of the expansion localities (4 counties, 2 cities, and 7 towns) to the current program, the *Chesapeake Bay Preservation Act*. These localities are within the bounds of planning district (regional) commissions that have localities under the Act. The other aspect involves creating new legislation, such as a *Chesapeake Bay Rivers Act*, for the balance of the expansion area. The new Act would cover 32 counties, 9 cities and 50 towns.

- Upon adoption of new legislation, program development and implementation for the 13 localities added to the current Act would commence immediately and proceed in the same manner as with the original Tidewater localities. For the expansion area, new regulations would need to be created and adopted prior to program development and implementation.
- The new regulations could be created in two separate actions. The first would address the administrative structure and could be tailored after the current program. It would also include the requirements for addressing the protection of the quality of state waters in local comprehensive plans. Early adoption of these regulations would allow localities to proceed with water quality planning efforts while the other aspect of the regulations, that dealing with resource areas and performance criteria, is created and adopted.
- The portion of the new regulations dealing with resource area designations and performance criteria would be developed through a stakeholder process and would specifically address the topology and geology typical to the proposed expansion area. This process would take approximately 18 to 24 months.
- The expansion program could be efficiently and effectively incorporated into the existing CBLAD structure over a two-year period during which both sets of new regulations would be prepared and adopted; and, pilot programs would be applied in the expansion area. The annual additional cost for the phase-in period would be less than \$600,000, of which \$250,000 could be provided through a shift in the priority of other funding sources such as the Bay Program Implementation Grant.
- The long-term additional annual program cost would approximate \$2,500,000. \$700,000 of this amount could be accommodated through other than the general fund given a shift in the priority of other funding sources such as the Bay Program Implementation Grant.

Geographic Area and Units of Government:

There are 109 localities in the Virginia portion of the Chesapeake Bay Watershed that are not under the current Bay Act program. Five counties, however, have a minimal land area, minimal population, and do not have any impaired water bodies. The study suggests that any expansion include only the other 104 units of local government. The jurisdictional breakdown is 36 counties, 11 cities, and 57 towns with an approximate population of 1,389,400 and a land area of approximately 18,700 square miles. Table I-1 provides a comparison of this data between the Tidewater Area and this Expansion Area. Within Chapter III, Table III-2 provides a listing of all counties, cities, towns and their respective planning district, or regional, commission.

In reviewing this data, there are sharp distinctions between the Tidewater Area and the proposed Expansion Area. Roughly, the land area under the Act would triple while the affected population would increase by one-third.

TABLE I-1	<i>Tidewater Area</i>			<i>Expansion Area</i>		
	Number	Population	Land Area sq. mi.	Number	Population	Land Area sq. mi.
Cities	17	1,720,576	1,478	11	282,688	150
Counties	29	2,649,129	8,370	36*	1,106,721	18,551
Towns	38			57		
Local Governments	84	4,369,705	9,848	104*	1,389,409	18,701

* 36 reflects the suggestion that 5 counties that are minimally in the watershed not be included.

To accommodate topographic and geologic matters and to provide for an effective liaison and review program, the study suggests that those localities that are within a planning district commission that is already under the Act be added to the definition of “Tidewater Virginia” contained in § 10.1-2101. These localities are listed in Table I-2. They would be subject to the Act and its Regulations as they exist at the time of expansion and would proceed under the same program development approach that was used for the original Tidewater localities. Table I-3 shows the number and type of localities for the current Act and a new Act.

Table I-2 Potential Localities to be added to the current Chesapeake Bay Act	
<i>PDC/RCs already in the Act</i>	<i>Localities</i>
#15 Richmond Regional PDC	Goochland County, Powhatan County,
#08 Northern Virginia PDC	Loudoun County; Cities of Manassas and Manassas Park; Towns of Hamilton, Hillsboro, Leesburg, Lovettsville, Middleburg, Purcellville, and Round Hill
#19 Crater PDC	Dinwiddie County

Table I-3 Potential Localities per Existing Act and Expansion Act				
Type of jurisdiction	Current Assignment		Potential Assignment	
	Tidewater	Expansion	Tidewater	Expansion
Counties	29	36	33	32
Cities	17	11	19	9
Towns	38	57	45	50
Totals	84	104	97	91

The ninety-one (91) remaining expansion localities would be included in a new act. The language of the new act could essentially mirror that of the existing act with the exception of its title and the “definition” of the subject localities. The composition of the new Board could be the same at nine (9), thus accommodating the potential for two at-large members.

Figure I-1 is a map showing: the 109 units of government in the watershed but not covered by the current Act, those counties suggested in the report as not to be included, and those localities that are suggested to join others in their planning or regional district under the current Act.

Figure I-1

M A P

Figures I-2 and I-3 graphically depict the relationship between the Tidewater Area, the potential expansion area, and the balance of the state with regard to land area and population. Figure I-4 depicts the percentage of miles of impaired streams within those areas. The information in Figure I-4 is addressed in the next section of this report.

FIGURE I-2

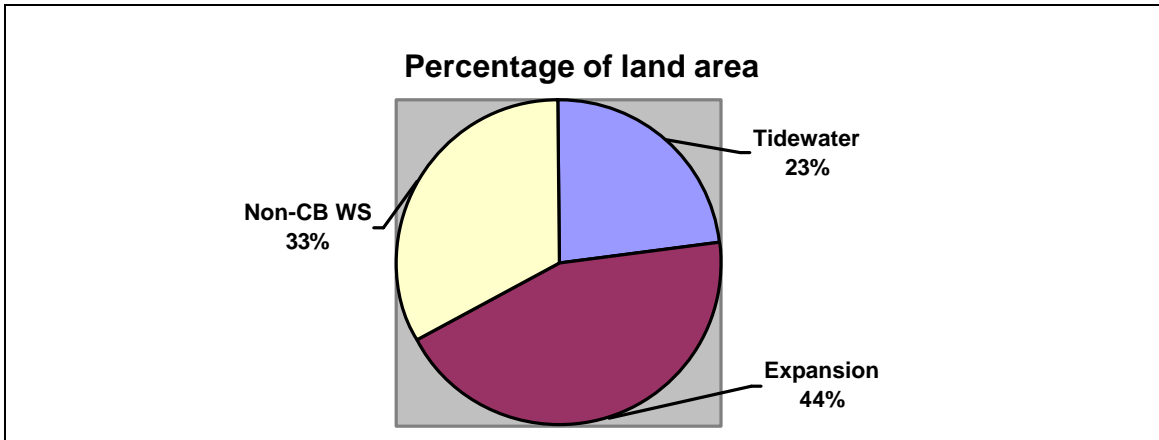


FIGURE I-3

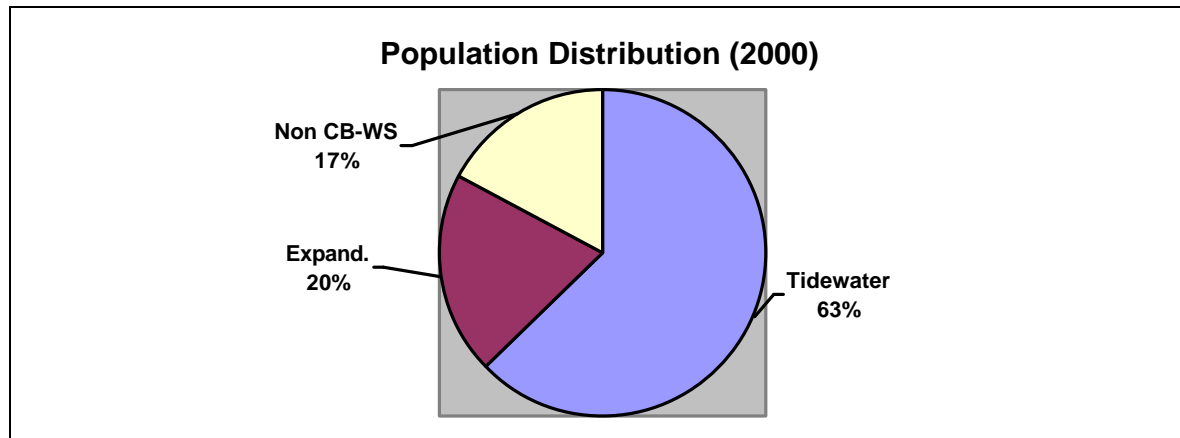
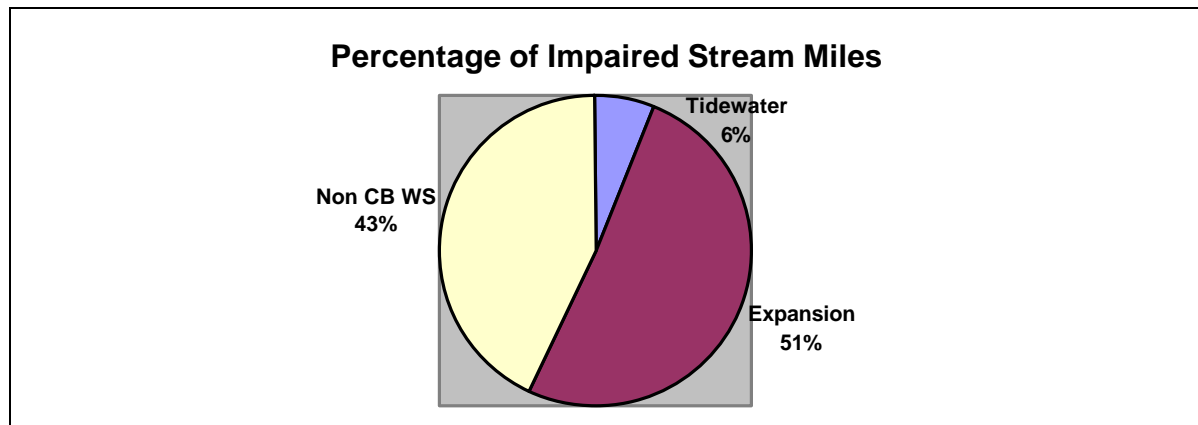


FIGURE I-4



Assessment of the benefits to the environment: The task presented by the directive to “assess the benefits to the environment” is daunting. After all, the Commonwealth has a very comprehensive set of environmental programs that were allocated over \$235,992,000 in funds for fiscal year 2001. Of that, more than \$35,000,000 is a conservative estimate of the amount directed toward non-point source pollution activities throughout the Commonwealth. Given the magnitude of this existing commitment, the question is not whether there is a benefit to the environment of expanding the current Bay Act program but whether doing so is an effective, efficient, and an appropriate way to protect and enhance the quality of state waters. A perspective on that proposal is graphically illustrated in Figure I-4 which shows that within the Tidewater Virginia area, the number of miles of impaired streams is dramatically less than in the balance of the watershed (the proposed expansion area) or outside the watershed. This fact is even more startling when viewed in concert with Figures I-2 and I-3 that show 2/3rds of the population lives in Tidewater while it has only 1/4th of the land area.

Within Chapter IV, the environmental programs of the state are examined in light of the need to protect the quality of state waters. In conducting the study and reviewing the gathered information, it became apparent that the current Bay Act program presents a unique approach to controlling nonpoint source pollution through its focus upon the land use connection and in the long-term context of comprehensive and land use planning. The benefit of the Bay Act program approach - through which a locality’s approach is applied in an integrated and comprehensive framework as opposed to compliance with, or imposition of, a singular requirement - emerges as an underlying principle that needs to be applied in order to achieve desired water quality goals.

In order to focus upon the environmental benefits that might accrue specifically with an expansion of the Act, the analysis in Chapter IV addressed each of the performance criteria contained in the Act. It was noted that a cost/benefit analysis cannot be applied to the effects of the criteria due to the nature of the issues. Also, the need for developing an expansion program in concert with the activities and programs of other agencies (in order to avoid redundancy and inefficiencies) was evident.

Chapter IV also addresses the commitments that the Commonwealth has made through participation in the original Chesapeake Bay Agreement, and its subsequent updates, essentially mandate to the Commonwealth that the goals, purposes, and programs established for the Bay Act be expanded to the balance of the watershed. The original Bay Agreement called for a watershed wide program that focused upon the land use based approach as practiced through the Bay Act. In assessing the year 2000 Bay Agreement, there are commitments specific to concepts of sound land use that are only addressed, in Virginia, through the CBLAD program. Finally, the direction of the overall Bay Program has gone through a recent shift from measuring nutrient loads to the establishment of environmental end-points that support living resources. This concept shifts the need for water quality protection programs to not only deal with the mechanics of erosion and sediment controls, controlling septic discharge, and structural stormwater best management practices but also to include low impact development and better site

design practices. The current Bay Act program advocates for such practices and they are addressed through the program's local implementation review component.

Given that the myriad of state-based environmental programs are applied state-wide and the current Chesapeake Bay Act program applies exclusively to Tidewater Virginia it appears that during its twelve years of existence, it has had a disproportionate and positive effect upon protecting and enhancing the quality of state waters. This fact puts the focus upon the key aspect of the Act – that it is a mandatory as opposed to a voluntary program. Education and incentive based, voluntary programs may be a preferred way to approach many problems; however, in addressing the need to protect the quality of state waters the mandatory program, as implemented through CBLAD, appears to not only be effective in its results but it does so at a direct dollar expense to the Commonwealth that is significantly less than the wealth of voluntary, educational, and short-term programs that exist.

A significant perspective of the issue of expansion, that emerged both through research and testimony, is that of emphasizing the total integrated system of the bay, its tributaries, and the streams that feed the tributaries. This concept is reinforced by numerous articles and reference documents that framed the issue as “saving the Bay by saving watersheds.” From that concept, a suggestion was made that if a new program were created for the proposed Expansion Area it should be named in that manner, perhaps, along the lines of the Chesapeake Bay Rivers Act/Program. It was also noted that the language of the current Act addresses the protection of the quality of state waters and does not refer specifically to the Bay except in connection with the rivers that feed it.

Costs and effects to state and local government: Chapter V examines the effects to state and local governments in terms of program development and implementation. Issues pertaining to the costs to local government are addressed only in general terms since the Act carries with it an obligation to provide those resources necessary to carry out and enforce its provisions (§ 10.1-2100.B). The costs to the state are specifically addressed in Chapter VII.

To better understand the potential impacts to localities, a survey relating to the status of their plans and codes was undertaken. The survey instrument and responses are provided in the appendices. Table V-2 provides a summary of the results. In general, the localities in the proposed Expansion Area appear to have comprehensive plans and land development codes that are maintained on a regular basis. The survey also contained some specific questions directed toward innovative and state-of-the-art planning concepts and regulatory approaches. These items included watershed based planning, use of environmental overlays, and built-in code flexibility for designs that would accommodate sensitive environmental features. Localities that have such approaches range from 10%-25% of those who responded. Thus, while the general condition of plans and codes is viewed as being favorable, there appears to be significant work necessary to encourage and promote the type of planning and development practices, in the proposed Expansion Area, as is envisioned by the Commonwealth's commitments in the Chesapeake Bay 2000 Agreement and as is necessary to achieve the Commonwealth's water quality goals.

Thus, there will be additional staffing demands at the local level since a new area of expertise will be required. However, through the proven effectiveness of CBLAD's current local assistance grant and liaison program that work can be accomplished.

Additionally, to get a direct input on the potential effects to localities, seven outreach meetings involving over 90 individuals were held in the proposed Expansion Area. Input from those meetings including items of concern and suggestions for modifying the existing program and for taking different approaches altogether are contained in Chapter V. Chapter V also provides a specific analysis for each of the program components that are necessary to develop and implement a local program that is consistent with the Act and its Regulations. These included such items as identifying the environmentally sensitive areas to which the performance criteria would apply, changes to local codes, compliance with E&SC, stormwater, and agriculture criteria, updating comprehensive plans, and the like.

There is no definitive statement that can be made with respect to the effect upon local government if the Chesapeake Bay Preservation Act is extended to the balance of the Watershed. It is evident from this information in Chapter V, that the effect upon an individual locality is dependent upon its environmental situation; the amount, type and location of development that is occurring there; the status of its plans and codes; the expertise that the locality has on staff; and other factors. However, it can be definitively stated that through the current program applied in the Tidewater area, compliance with the Act has not created any adverse effect to local government that could not be accommodated or overcome. The key to having a successful overall program is adequate technical assistance, adequate funding, and operating within the comprehensive framework that is provided in the local governmental context of planning and regulations.

It can also be stated that the current program cannot simply be applied to the expansion area by inclusion of the western localities to the Act and have it work in an efficient and effective manner. Besides the environmental differences identified in Chapter IV, there are significant demographic differences between Tidewater and the proposed Expansion Area. The overall character of the areas is different, the development pressures are different, and the capacity to assimilate new programs varies widely between the areas and within the proposed Expansion Area itself.

While the cost to the state for implementation of an expansion is addressed separately, the work undertaken to assess the impact upon local units of government stresses the need to emphasize coordination and eliminate duplication of state programs and efforts. While there are concerns expressed by some in the Tidewater area over issues of duplication and coordination, they are mainly associated with reporting requirements. In the potential expansion area, there was strong sentiment that there are numerous new programs and activities that are overwhelming the localities. The framework created by the Act and its Regulations, including the CBLAD liaison program and network seems to have been quite effective in helping localities to put their water quality planning needs into a coordinated local perspective. Thus, it seems that an expansion of the Act and its

requirement for water quality planning at the local level with state assistance offers a proven way to make the overall state effort more efficient and effective.

Potential need for changes to existing regulations: As this study progressed, it soon became evident that not only would changes need to be made to the performance criteria, but that changes would be necessary to all aspects of the program including its organization. Besides this study, CBLAD was concurrently processing a substantial change to their existing Regulations. Hundreds of comments were received and are contained within a two-volume “response to public comment” document. CBLAD had the opportunity to consider those comments, in addition to the expansion specific testimony gained at the outreach meetings, in exploring the subject of potential changes.

The charge in HJ 622 was to identify the potential need for changes if an expansion were to occur. Tables I-4 through I-6 summarizes the contents of Chapter VI where the potential changes are addressed. Those items pertaining to the designation criteria and the performance standards would be established through the Administrative Procedures Act with a new set of regulations tailored to the proposed Expansion Area. A stakeholder process would be a part of this effort that would take between 18 and 24 months to complete.

Table I-4 Legislative Matters	
<i>Modification to the existing Chesapeake Bay Preservation Act</i>	<i>Creation of a new Chesapeake Bay Rivers Act</i>
<ul style="list-style-type: none"> • Add 13 localities to the current program 	<ul style="list-style-type: none"> • Modeled after the current Act • Replace the definition of “Tidewater Virginia” with the list of localities in the proposed Expansion Area • Incidental modifications for administrative and technical matters

Table I-5 New Regulations	
<i>Interim Regulations</i>	<i>Final Regulations</i>
<ul style="list-style-type: none"> • <i>to be adopted within six months of the effective date of the new Act</i> 	<ul style="list-style-type: none"> • <i>to be adopted within 24 months of the effective date of the new Act</i>
<ul style="list-style-type: none"> • Establishes the decision-making, administrative, and review processes • Modeled after the current Regulations • Maintain the Board at 9 members and accommodate two at-large members • Establishes the criteria for including the protection of the quality of state waters in local comprehensive plans • Establishes a schedule for local government compliance with bringing comprehensive plans into compliance 	<ul style="list-style-type: none"> • Establishes the criteria for the designation of the resource protection and resource management areas • Establishes the performance criteria • Establishes a schedule for local government compliance with these matters.

Table I-6 Designation and Performance Criteria			
<i>Resource Protection Area (RPA) considerations</i>	<i>Resource Management Area (RMA) considerations</i>	<i>Performance Criteria</i>	
Isolated wetlands Flood plains Farm ponds Steep slopes Buffer criteria	Character of karst topology Wellhead protection Sinkhole considerations	Three general criteria Stormwater criteria E&SC criteria Wastewater (septics) Agriculture Silviculture Wetland permitting	no significant change no significant change consider changes statewide defer to HJ 771 and DOH no significant change no significant change no significant change

As can be gleaned from the above Tables, the task of formally expanding the goals, purposes, and criteria from the current Act is not so much a scientific or technical challenge as it is going through the required processes and addressing issues of - to which land, or features, the resource protection and resource management designations should apply.

The other aspect of developing the overall program is to take into consideration the changes in environmental programs that have occurred since adoption of the original Bay Act and its Regulations. The Commonwealth has instituted several new programs since the late 1980's and early 1990's. It has new obligations with regard to the Bay Agreement and the commitments contained therein. Also, it must consider the impact upon local governments, not just in terms of technical and financial assistance (described in Chapters V and VII) but also in terms of actual, day-to-day, implementation of the program. As stated in § 10.1-2100.B, "local governments have the initiative for planning and implementing" the provisions of the Act. The Commonwealth has the obligation of acting in a supportive role by establishing the criteria and providing the resources necessary to carry out and enforce the Act. A part of this obligation is to ensure that State programs do not result in redundancy and that the requirements imposed by the multiple programs of the State do not burden the administrative capacity of local governments.

In developing the program for the proposed Expansion Area, its relationship to the tributary strategies, the TMDL program, the E&SC program, and VPDES programs along with other activities must be considered. As was suggested at one of the outreach meetings, "weave it, don't stack it".

Needed State financial resources for operations and in the form of local assistance grants: The Department operates two grant programs that provide resources to carry out the program at the local level. These are the Agriculture Plan Assistance Program and the Local Assistance Grant Program. Chapter VII provides historic data on the operation of these two grant programs and projects future needs for an expansion of the Act.

For the purpose of projecting costs associated with the Agriculture Plan program there is no special formula. The demand greatly exceeds the financial resources available to meet

it other than over an extended time period. Thus, it simply comes down to priorities and the availability of resources. For the purpose of projecting implementation costs, the extrapolation method used for the fiscal impact of SB 821 considered a relationship between the number of units of government and the difference in total land area with a resulting annual allocation of \$750,000 for farm plan development. While other scenarios could be created, the annual allocation of \$750,000 is conservative but reasonable given the great demand that exists.

The local assistance grant program is the major vehicle for the actual development and implementation of the local programs. The amount of funding provided through this vehicle, classified by type of jurisdiction and use is shown in Table I-7.

Table I-7 Allocation of Local Assistance Grants, Fiscal Years 1991-2002					
<i>Jurisdictions</i>	<i>Number</i>	<i>Amount</i>	<i>I - Dev.</i>	<i>I - Imp.</i>	<i>II - Dev.</i>
Counties	245	4,762,922	890,095	3,383,512	489,315
Cities	87	1,782,609	380,370	1,071,034	331,925
Towns	34	470,179	173,314	217,465	79,400
PDCs	85	1,798,984	441,549	748,688	608,749
TOTALS	451	\$8,814,694	\$1,885,328	\$5,420,699	\$1,509,389

The historic allocation was analyzed by type of jurisdiction and use and then allocated by a factor relating to the change in the type of jurisdiction between the expansion localities and the Tidewater localities. The resulting long-term, annual allocation was \$797,454 which is substantially less than the annual amount of \$1,690,393 that was contained in the FIS that was prepared for SB 862.

In addition to the implementation grant programs, Chapter VII addressed the state program funding necessary to effectively and efficiently carryout an expansion. Two scenarios were developed. The additional annual costs for the operations scenario reflecting the program described in this Executive Summary along with the grant programs is shown in Table I-8 for the initial two-year start-up period and in Table I-9 for the sustained program.

Table I-8 Additional Program Costs, Initial Budget Period			
<i>Purpose</i>	<i>Annual Costs</i>	<i>General Fund</i>	<i>Other Sources</i>
Operations	\$ 378,715	\$ 190,000 1 st half of Va Fiscal Year	Consideration of reprioritization of the Bay Program Implementation Grant (EPA)
Local Assistance Grants	\$ 150,000	\$150,000	Although other sources may be used on a case-by-case basis, planning should be through the general fund.
Agriculture Grants	\$ 50,000	\$ 0	Work in concert with existing programs for Applying Bay Act farm plan concepts in the proposed Expansion Area

Table I-9 Additional Program Costs, Sustained Program			
<i>Purpose</i>	<i>Annual Costs</i>	<i>General Fund</i>	<i>Other Sources</i>

Operations	\$ 894,251	\$ 447,125	50% match to the balance from the Bay Program Implementation Grant (revised priorities)
Local Assistance Grants	\$ 797,454	\$797,454	For planning purposes, the total anticipated should be considered as a general fund obligation although it may be supplemented by other sources.
Agriculture Grants	\$ 750,000	\$500,000	Work in concert with existing programs for Applying Bay Act farm plan concepts in the proposed Expansion Area

Within Chapter VII, the potential for offsetting some of the additional costs was examined. This analysis looked at the general fund, the WQIA Fund, the EPA's Bay Program Implementation Grant. The potential offsets that were identified are shown in the above tables.

Table I-10 shows the combination of all the analysis along with the current CBLAD budget, other needs addressed in the study, the one-time costs associated with outfitting new position and the personnel needs.

Table I-10 CBLAD – DEPARTMENT BUDGET PROJECTIONS FOR EXPANSION				
CATEGORY	Current Budget & Supplemental Needs	Initial Estimate for SB 821 Sustained	Expansion Scenario Per the Study	
			First two years [Annual]	Sustained [Annual]
Personnel & Operations	1,585,856	3,624,814	1,952,071	2,429,837
Operations Supplement	114,144	114,144	114,144	114,144
Remote Office Ops	0	50,000	12,500	50,000
Competitive Grants	571,962	2,262,355	721,962	1,369,416
Comp Grant Supplement	0	728,158	n/a	n/a
Agricultural Grants	468,500	1,218,500	518,500	1,215,800
Ag Grant Supplement	0	31,500	n/a	n/a
WQ Monitoring Suppl.	150,000	150,000	150,000	150,000
TOTALS	2,890,462	8,179,471	3,469,177	5,329,167
Space/Equip set up (1x)	0	490,000	62,500	232,500
AGENCY MEL				
Appointed	1	1	1	1
Classified	20	49	26	35
TOTALS	21	51	27	36

Conclusion: The recently issued 2001 State of the Bay Report prepared by the Chesapeake Bay Foundation finds that the ecological health of the Bay has declined over the past year for the first time in four years. The report stated that despite efforts to stem the loss of farmland and open space, growth in the watershed was undercutting restoration efforts. While there are individual efforts and programs, (such as the E&SC, Ag-Cost Share BMPs, and stormwater management) they are not all mandatory nor do they realize their maximum efficiency when applied in a piecemeal fashion. The issues of growth and its impact on the environment are complex and comprehensive in nature. A comprehensive program, such as the eleven point (performance criteria) and planning program, that is consistent with the mandatory provisions of the Chesapeake Bay

Preservation Act, and that is implemented by local government concurrent with the impacts of growth and development would be useful in order to adequately address the on-going nature of enhancing and maintaining the quality of the waters of the Commonwealth. Such a program could effectively be applied throughout the entirety of the Chesapeake Bay watershed in order for Virginia to protect water quality, meet federal requirements such as the Clean Water Act, and meet its obligations under the Chesapeake Bay Agreements. Indeed, expansion of the Act program is consistent with the obligations incurred in the 1987 Chesapeake Bay Agreement and with the scope and approach of the commitments in the revised 2000 Agreement.

The Chesapeake Bay Local Assistance Department is pleased to have been able to undertake this study and present its finding so as to further the protection and enhancement of the quality of the waters of the Commonwealth.